



QUARTERLY STATEMENT  
AS OF March 31, 2006  
OF THE CONDITION AND AFFAIRS OF THE  
HealthPlus Partners, Inc.

NAIC Group Code	3409 (Current Period)	3409 (Prior Period)	NAIC Company Code	11549	Employer's ID Number	01-0729151
Organized under the Laws of	Michigan		State of Domicile or Port of Entry	Michigan		
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health[ ] Dental Service Corporation[ ] Other[ ]		Property/Casualty[ ] Vision Service Corporation[ ] Is HMO Federally Qualified? Yes[ ] No[X] N/A[ ]		Hospital, Medical & Dental Service or Indemnity[ ] Health Maintenance Organization[X]	
Incorporated/Organized	07/08/2002		Commenced Business	01/01/2003		
Statutory Home Office	2050 South Linden Road (Street and Number)		Flint, MI 48532 (City, or Town, State and Zip Code)			
Main Administrative Office			2050 South Linden Road (Street and Number)		Flint, MI 48532 (City or Town, State and Zip Code)	
					(800)332-9161 (Area Code) (Telephone Number)	
Mail Address	2050 South Linden Road, P.O. Box 1700 (Street and Number or P.O. Box)		Flint, MI 48501-1700 (City, or Town, State and Zip Code)			
Primary Location of Books and Records			2050 South Linden Road (Street and Number)		Flint, MI 48532 (City, or Town, State and Zip Code)	
					(800)332-9161 (Area Code) (Telephone Number)	
Internet Website Address	www.healthplus.com					
Statutory Statement Contact	Matthew Andrew Mendrygal, C.P.A. (Name)		(810)230-2179 (Area Code)(Telephone Number)(Extension)			
	mmendrygal@healthplus.com (E-Mail Address)		(810)230-2208 (Fax Number)			
Policyowner Relations Contact			2050 South Linden Road, P.O. Box 1700 (Street and Number)		Flint, MI 48501-1700 (City, or Town, State and Zip Code)	
					(800)332-9161 (Area Code) (Telephone Number)(Extension)	

OFFICERS

Name	Title
David Paul Crosby	President
Dan Ellis Champney Esq.	Secretary
Matthew Andrew Mendrygal C.P.A.	Treasurer

OTHERS

DIRECTORS OR TRUSTEES

Penelope Drake Pestronk	Christopher John Flores
Harold Leslie Mallon DDS	Denise O. Chambers
Teresa Lyn King	Elnora Dasty Coe

State of Michigan  
County of Genesee ss

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of the said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

(Signature)	(Signature)	(Signature)
David Paul Crosby	Matthew Andrew Mendrygal	Dan Ellis Champney
(Printed Name)	(Printed Name)	(Printed Name)
President	Treasurer	Secretary
(Title)	(Title)	(Title)

Subscribed and sworn to before me this	a. Is this an original filing?	Yes[X] No[ ]
day of , 2006	b. If no,	
	1. State the amendment number	
	2. Date filed	
	3. Number of pages attached	

(Notary Public Signature)

ASSETS

		Current Statement Date			4
		1	2	3	
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	December 31, Prior Year Net Admitted Assets
1.	Bonds .....				
2.	Stocks:				
2.1	Preferred stocks .....				
2.2	Common stocks .....	5,590,876		5,590,876	5,510,517
3.	Mortgage loans on real estate:				
3.1	First liens .....				
3.2	Other than first liens .....				
4.	Real estate:				
4.1	Properties occupied by the company (less \$..... encumbrances) .....				
4.2	Properties held for the production of income (less \$..... encumbrances) .....				
4.3	Properties held for sale (less \$..... encumbrances) .....				
5.	Cash (\$.....(1,928,461)), cash equivalents (\$.....) and short-term investments \$.....17,743,070) .....	15,814,609		15,814,609	8,366,308
6.	Contract loans (including \$..... premium notes) .....				
7.	Other invested assets .....	(156,939)		(156,939)	(156,939)
8.	Receivables for securities .....				
9.	Aggregate write-ins for invested assets .....				
10.	Subtotals, cash and invested assets (Lines 1 to 9) .....	21,248,546		21,248,546	13,719,886
11.	Title plants less \$..... charged off (for Title insurers only) .....				
12.	Investment income due and accrued .....	106,901		106,901	65,677
13.	Premiums and considerations:				
13.1	Uncollected premiums and agents' balances in the course of collection .....	328,505		328,505	238,624
13.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$..... earned but unbilled premiums) .....				
13.3	Accrued retrospective premiums .....				
14.	Reinsurance:				
14.1	Amounts recoverable from reinsurers .....				
14.2	Funds held by or deposited with reinsured companies .....				
14.3	Other amounts receivable under reinsurance contracts .....				
15.	Amounts receivable relating to uninsured plans .....				
16.1	Current federal and foreign income tax recoverable and interest thereon .....				
16.2	Net deferred tax asset .....				
17.	Guaranty funds receivable or on deposit .....				
18.	Electronic data processing equipment and software .....				
19.	Furniture and equipment, including health care delivery assets (\$.....) .....				
20.	Net adjustments in assets and liabilities due to foreign exchange rates .....				
21.	Receivables from parent, subsidiaries and affiliates .....	62,740		62,740	
22.	Health care (\$.....1,482,685) and other amounts receivable .....	1,638,774		1,638,774	1,021,730
23.	Aggregate write-ins for other than invested assets .....				
24.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23) .....	23,385,466		23,385,466	15,045,917
25.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....				
26.	TOTAL (Lines 24 and 25) .....	23,385,466		23,385,466	15,045,917
DETAILS OF WRITE-INS					
0901.	.....				
0902.	.....				
0903.	.....				
0998.	Summary of remaining write-ins for Line 9 from overflow page .....				
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above) .....				
2301.	.....				
2302.	.....				
2303.	.....				
2398.	Summary of remaining write-ins for Line 23 from overflow page .....				
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above) .....				

**LIABILITIES, CAPITAL AND SURPLUS**

		Current Period			Prior Year
		1 Covered	2 Uncovered	3 Total	4 Total
1.	Claims unpaid (less \$..... reinsurance ceded) .....	12,203,476		12,203,476	4,171,374
2.	Accrued medical incentive pool and bonus amounts .....	1,147,319		1,147,319	826,662
3.	Unpaid claims adjustment expenses .....	225,031		225,031	83,982
4.	Aggregate health policy reserves .....				
5.	Aggregate life policy reserves .....				
6.	Property/casualty unearned premium reserve .....				
7.	Aggregate health claim reserves .....				
8.	Premiums received in advance .....				
9.	General expenses due or accrued .....	15,309		15,309	63,080
10.1	Current federal and foreign income tax payable and interest thereon (including \$..... on realized gains (losses)) .....				
10.2	Net deferred tax liability .....				
11.	Ceded reinsurance premiums payable .....				
12.	Amounts withheld or retained for the account of others .....				
13.	Remittances and items not allocated .....				
14.	Borrowed money (including \$..... current) and interest thereon \$..... (including \$..... current) .....				
15.	Amounts due to parent, subsidiaries and affiliates .....	553,870		553,870	1,410,099
16.	Payable for securities .....				
17.	Funds held under reinsurance treaties with (\$..... authorized reinsurers and \$..... unauthorized reinsurers) .....				
18.	Reinsurance in unauthorized companies .....				
19.	Net adjustments in assets and liabilities due to foreign exchange rates .....				
20.	Liability for amounts held under uninsured plans .....				
21.	Aggregate write-ins for other liabilities (including \$..... current) .....				
22.	Total liabilities (Lines 1 to 21) .....	14,145,005		14,145,005	6,555,197
23.	Aggregate write-ins for special surplus funds .....	X X X	X X X		
24.	Common capital stock .....	X X X	X X X		
25.	Preferred capital stock .....	X X X	X X X		
26.	Gross paid in and contributed surplus .....	X X X	X X X	10,771,167	10,771,167
27.	Surplus notes .....	X X X	X X X		
28.	Aggregate write-ins for other than special surplus funds .....	X X X	X X X		
29.	Unassigned funds (surplus) .....	X X X	X X X	(1,530,706)	(2,280,447)
30.	Less treasury stock, at cost:				
30.1	..... shares common (value included in Line 24 \$.....) .....	X X X	X X X		
30.2	..... shares preferred (value included in Line 25 \$.....) .....	X X X	X X X		
31.	Total capital and surplus (Lines 23 to 29 minus Line 30) .....	X X X	X X X	9,240,461	8,490,720
32.	Total Liabilities, capital and surplus (Lines 22 and 31) .....	X X X	X X X	23,385,466	15,045,917
DETAILS OF WRITE-INS					
2101.	.....				
2102.	.....				
2103.	.....				
2198.	Summary of remaining write-ins for Line 21 from overflow page .....				
2199.	TOTALS (Lines 2101 through 2103 plus 2198) (Line 21 above) .....				
2301.	.....	X X X	X X X		
2302.	.....	X X X	X X X		
2303.	.....	X X X	X X X		
2398.	Summary of remaining write-ins for Line 23 from overflow page .....	X X X	X X X		
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above) .....	X X X	X X X		
2801.	.....	X X X	X X X		
2802.	.....	X X X	X X X		
2803.	.....	X X X	X X X		
2898.	Summary of remaining write-ins for Line 28 from overflow page .....	X X X	X X X		
2899.	TOTALS (Lines 2801 through 2803 plus 2898) (Line 28 above) .....	X X X	X X X		

**STATEMENT OF REVENUE AND EXPENSES**

		Current Year To Date		Prior Year To Date
		1 Uncovered	2 Total	3 Total
1.	Member Months .....	X X X .....	184,596	183,020
2.	Net premium income (including \$..... non-health premium income) .....	X X X .....	33,709,804	33,918,511
3.	Change in unearned premium reserves and reserves for rate credits .....	X X X .....		
4.	Fee-for-service (net of \$..... medical expenses) .....	X X X .....		
5.	Risk revenue .....	X X X .....		
6.	Aggregate write-ins for other health care related revenues .....	X X X .....	(2,032,290)	71,802
7.	Aggregate write-ins for other non-health revenues .....	X X X .....		
8.	Total revenues (Lines 2 to 7) .....	X X X .....	31,677,514	33,990,313
<b>Hospital and Medical:</b>				
9.	Hospital/medical benefits .....		20,542,325	23,956,952
10.	Other professional services .....			
11.	Outside referrals .....			
12.	Emergency room and out-of-area .....		2,256,991	
13.	Prescription drugs .....		5,598,126	6,383,876
14.	Aggregate write-ins for other hospital and medical .....		(663,643)	65,722
15.	Incentive pool, withhold adjustments and bonus amounts .....		515,967	558,150
16.	Subtotal (Lines 9 to 15) .....		28,249,766	30,964,700
<b>Less:</b>				
17.	Net reinsurance recoveries .....			
18.	Total hospital and medical (Lines 16 minus 17) .....		28,249,766	30,964,700
19.	Non-health claims (net) .....			
20.	Claims adjustment expenses, including \$.....525,477 cost containment expenses .....		785,945	624,291
21.	General administrative expenses .....		2,170,750	2,520,117
22.	Increase in reserves for life and accident and health contracts (including \$..... increase in reserves for life only) .....			
23.	Total underwriting deductions (Lines 18 through 22) .....		31,206,461	34,109,108
24.	Net underwriting gain or (loss) (Lines 8 minus 23) .....	X X X .....	471,053	(118,795)
25.	Net investment income earned .....		246,348	121,262
26.	Net realized capital gains (losses) less capital gains tax of \$..... .....		11,785	
27.	Net investment gains or (losses) (Lines 25 plus 26) .....		258,133	121,262
28.	Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....) (amount charged off \$.....)] .....			
29.	Aggregate write-ins for other income or expenses .....			
30.	Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29) .....	X X X .....	729,186	2,467
31.	Federal and foreign income taxes incurred .....	X X X .....		
32.	Net income (loss) (Lines 30 minus 31) .....	X X X .....	729,186	2,467
<b>DETAILS OF WRITE-INS</b>				
0601.	HGH administrative fee receipts .....	X X X .....		2,108,174
0602.	Quality Assurance Assessment Program assessments .....	X X X .....	(2,032,290)	(2,036,372)
0603.	.....	X X X .....		
0698.	Summary of remaining write-ins for Line 6 from overflow page .....	X X X .....		
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above) .....	X X X .....	(2,032,290)	71,802
0701.	.....	X X X .....		
0702.	.....	X X X .....		
0703.	.....	X X X .....		
0798.	Summary of remaining write-ins for Line 7 from overflow page .....	X X X .....		
0799.	TOTALS (Lines 0701 through 0703 plus 0798) (Line 7 above) .....	X X X .....		
1401.	Other Medical .....		47,147	65,722
1402.	Risk Sharing Receivables .....		(710,790)	
1403.	.....			
1498.	Summary of remaining write-ins for Line 14 from overflow page .....			
1499.	TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above) .....		(663,643)	65,722
2901.	.....			
2902.	.....			
2903.	.....			
2998.	Summary of remaining write-ins for Line 29 from overflow page .....			
2999.	TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above) .....			

**STATEMENT OF REVENUE AND EXPENSES (Continued)**

		1	2	3
		Current Year To Date	Prior Year To Date	Prior Year
<b>CAPITAL &amp; SURPLUS ACCOUNT</b>				
33.	Capital and surplus prior reporting year .....	8,490,720	7,312,591	7,312,591
34.	Net income or (loss) from Line 32 .....	729,186	2,467	155,592
35.	Change in valuation basis of aggregate policy and claim reserves .....			
36.	Change in net unrealized capital gains (losses) less capital gains tax of \$.....	20,555	137,465	1,022,537
37.	Change in net unrealized foreign exchange capital gain or (loss) .....			
38.	Change in net deferred income tax .....			
39.	Change in nonadmitted assets .....			
40.	Change in unauthorized reinsurance .....			
41.	Change in treasury stock .....			
42.	Change in surplus notes .....			
43.	Cumulative effect of changes in accounting principles .....			
44.	Capital Changes:			
44.1	Paid in .....			
44.2	Transferred from surplus (Stock Dividend) .....			
44.3	Transferred to surplus .....			
45.	Surplus adjustments:			
45.1	Paid in .....			
45.2	Transferred to capital (Stock Dividend) .....			
45.3	Transferred from capital .....			
46.	Dividends to stockholders .....			
47.	Aggregate write-ins for gains or (losses) in surplus .....			
48.	Net change in capital and surplus (Lines 34 to 47) .....	749,741	139,932	1,178,129
49.	Capital and surplus end of reporting period (Line 33 plus 48) .....	9,240,461	7,452,523	8,490,720
<b>DETAILS OF WRITE-INS</b>				
4701.	.....	.....	.....	.....
4702.	.....	.....	.....	.....
4703.	.....	.....	.....	.....
4798.	Summary of remaining write-ins for Line 47 from overflow page .....	.....	.....	.....
4799.	TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above) .....	.....	.....	.....

CASH FLOW

		1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations			
1.	Premiums collected net of reinsurance .....	33,851,616	135,800,050
2.	Net investment income .....	205,124	543,723
3.	Miscellaneous income .....	(2,032,290)	169,874
4.	Total (Lines 1 through 3) .....	32,024,450	136,513,647
5.	Benefit and loss related payments .....	20,745,744	123,435,664
6.	Net transfers to Separate, Segregated Accounts and Protected Cell Accounts .....		
7.	Commissions, expenses paid and aggregate write-ins for deductions .....	2,863,417	12,661,278
8.	Dividends paid to policyholders .....		
9.	Federal and foreign income taxes paid (recovered) \$..... net of tax on capital gains (losses) .....		
10.	Total (Lines 5 through 9) .....	23,609,161	136,096,942
11.	Net cash from operations (Line 4 minus Line 10) .....	8,415,289	416,705
Cash from Investments			
12.	Proceeds from investments sold, matured or repaid:		
12.1	Bonds .....		
12.2	Stocks .....	245,000	4,674,696
12.3	Mortgage loans .....		
12.4	Real estate .....		
12.5	Other invested assets .....		
12.6	Net gains or (losses) on cash, cash equivalents and short-term investments .....		
12.7	Miscellaneous proceeds .....		
12.8	Total investment proceeds (Lines 12.1 to 12.7) .....	245,000	4,674,696
13.	Cost of investments acquired (long-term only):		
13.1	Bonds .....		
13.2	Stocks .....	293,019	4,880,223
13.3	Mortgage loans .....		
13.4	Real estate .....		
13.5	Other invested assets .....		
13.6	Miscellaneous applications .....		
13.7	Total investments acquired (Lines 13.1 to 13.6) .....	293,019	4,880,223
14.	Net increase (or decrease) in contract loans and premium notes .....		
15.	Net cash from investments (Line 12.8 minus Lines 13.7 and 14) .....	(48,019)	(205,527)
Cash from Financing and Miscellaneous Sources			
16.	Cash provided (applied):		
16.1	Surplus notes, capital notes .....		
16.2	Capital and paid in surplus, less treasury stock .....		
16.3	Borrowed funds .....		
16.4	Net deposits on deposit-type contracts and other insurance liabilities .....		
16.5	Dividends to stockholders .....		
16.6	Other cash provided (applied) .....	(918,969)	585,332
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) .....	(918,969)	585,332
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	7,448,301	796,510
19.	Cash, cash equivalents and short-term investments:		
19.1	Beginning of year .....	8,366,308	7,569,798
19.2	End of period (Line 18 plus Line 19.1) .....	15,814,609	8,366,308

Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:

Description		Amount 1	Amount 2
20.0001	.....		

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1  Total	Comprehensive (Hospital & Medical)		4  Medicare Supplement	5  Vision Only	6  Dental Only	7  Federal Employees Health Benefit Plan	8  Title XVIII Medicare	9  Title XIX Medicaid	10  Stop Loss	11  Disability Income	12  Long-Term Care	13  Other
		2  Individual	3  Group										
Total Members at end of:													
1. Prior Year .....	61,692								61,692				
2. First Quarter .....	61,658								61,658				
3. Second Quarter .....													
4. Third Quarter .....													
5. Current Year .....													
6. Current Year Member Months .....	184,596								184,596				
Total Member Ambulatory Encounters for Period:													
7. Physician .....	35,278								35,278				
8. Non-Physician .....	51,593								51,593				
9. Total .....	86,871								86,871				
10. Hospital Patient Days Incurred .....	6,578								6,578				
11. Number of Inpatient Admissions .....	1,653								1,653				
12. Health Premiums Written .....	33,730,020								33,730,020				
13. Life Premiums Direct .....													
14. Property/Casualty Premiums Written .....													
15. Health Premiums Earned .....	33,730,020								33,730,020				
16. Property/Casualty Premiums Earned .....													
17. Amount Paid for Provision of Health Care Services .....	20,745,749								20,745,749				
18. Amount Incurred for Provision of Health Care Services .....	28,249,766								28,249,766				

**CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)**

Aging Analysis of Unpaid Claims						
1	2	3	4	5	6	7
Account	1 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 days	Over 120 Days	Total
0199999 Individually Listed Claims Unpaid .....						
0299999 Aggregate Accounts Not Individually Listed - Uncovered ....						
0399999 Aggregate Accounts Not Individually Listed - Covered .....	2,481,251	690,238	108,435	10,838	22,655	3,313,417
0499999 Subtotals .....	2,481,251	690,238	108,435	10,838	22,655	3,313,417
0599999 Unreported claims and other claim reserves .....						8,099,497
0699999 Total Amounts Withheld .....						790,562
0799999 Total Claims Unpaid .....						12,203,476
0899999 Accrued Medical Incentive Pool And Bonus Amounts .....						1,147,319



**UNDERWRITING AND INVESTMENT EXHIBIT**

**ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE**

Line of Business		Claims Paid Year to Date		Liability End of Current Quarter		5  Claims Incurred in Prior Years (Columns 1+3)	6  Estimated Claim Reserve and Claim Liability Dec.31 of Prior Year
		1	2	3	4		
		On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid Dec.31 of Prior Year	On Claims Incurred During the Year		
1.	Comprehensive (hospital & medical) .....						
2.	Medicare Supplement .....						
3.	Dental only .....						
4.	Vision only .....						
5.	Federal Employees Health Benefits Plan .....						
6.	Title XVIII - Medicare .....						
7.	Title XIX - Medicaid .....	2,150,009	19,432,537	2,021,365	10,182,111	4,171,374	4,171,374
8.	Other health .....						
9.	Health subtotal (Lines 1 to 8) .....	2,150,009	19,432,537	2,021,365	10,182,111	4,171,374	4,171,374
10.	Healthcare receivables (a) .....	344,762	687,346	289,190	1,193,499	633,952	633,948
11.	Other non-health .....						
12.	Medical incentive pools and bonus amounts .....		195,311	826,656	320,656	826,656	826,656
13.	TOTALS .....	1,805,247	18,940,502	2,558,831	9,309,268	4,364,078	4,364,082

(a) Excludes \$..... loans or advances to providers not yet expensed.

## Notes to Financial Statement

### 1. Significant Accounting Policies

#### A. Basis of Presentation

The accompanying financial statements of HealthPlus Partners, Inc. (the Company) have been prepared in conformity with the 2005 NAIC Annual Statement Instructions and the NAIC Accounting Practices and Procedures Manual as of March 2005, to the extent that the accounting practices, procedures, and reporting standards are not modified by the Michigan Insurance Code or the 2005 Forms and Instructions for Required Filings in Michigan.

#### B. Management Estimates

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

#### C. Accounting Policy

Premium revenue is recognized in the month that members are entitled to health care services. The liability for incurred medical and hospital claims is accrued in the period during which the services are provided and includes estimates of services performed, which have not been reported to the Company.

In addition, the company uses the following accounting policies:

- 1) Short Term Investments are stated at amortized cost.
- 2) The Company has no long-term bonds.
- 3) Common Stocks are reported at market value.
- 4) The Company has no Preferred Stocks to report.
- 5) The Company has no mortgage loans to report.
- 6) The Company has no Loan Backed Securities.
- 7) The Company carries its investment in HGH, Inc. at audited GAAP equity.
- 8) The Company has no ownership interests in joint ventures or limited liability companies.
- 9) The Company has no derivatives to report.
- 10) The Company has not calculated any premium deficiency reserves.
- 11) Unpaid claims include amounts determined from individual case estimates and amounts based on past experiences, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability are continually reviewed and any adjustments are reflected in the period determined.
- 12) The Company has no capitalized assets.
- 13) Estimated pharmaceutical rebate receivables are based primarily on historical trends.

### 2. Accounting Changes and Corrections of Errors

The Company did not discover any material errors or make any material changes in accounting principles during the Quarter Ended March 31, 2006.

### 3. Business Combinations and Goodwill

None.

### 4. Discontinued Operations

None.

# Notes to Financial Statement

5. Investments – Mortgage Loans, Debt Restructuring, Reverse Mortgages, Loan-Backed Securities, Repurchase Agreements, Real Estate

None.

6. Joint Ventures, Partnerships and Limited Liability Companies

None.

7. Investment Income

The Company does not exclude any investment income due and accrued.

8. Derivative Instruments

None.

9. Income Taxes

The Company is exempt from Federal income tax under Internal Revenue Code Section 501(c)(4). The Company is also exempt from Michigan Single Business Tax.

10. Information Concerning Parent, Subsidiaries and Affiliates

HealthPlus Partners, Inc. is a wholly owned subsidiary of HealthPlus of Michigan Inc. The Company began operations January 1, 2003.

HealthPlus Partners, Inc. has entered into agreements with its parent, HealthPlus of Michigan, Inc. for administrative services, and HealthPlus of Michigan, Inc.'s subsidiary HealthPlus Options, Inc. for claims processing services. These services amounted to \$2,640,004 and \$313,871 respectively in the Quarter Ended March 31, 2006.

The Company was a part owner of a non-profit corporation, HGH, Inc., with Hurley Medical Center and Genesys Regional Medical Center for the purpose of providing services to Medicaid members in Genesee, Lapeer and Shiawassee Counties. At the December 2005 meeting of the HGH, Inc. Board of Directors, a plan for the dissolution of HGH, Inc. was approved with dissolution to occur during 2006.

Effective January 1, 2006, those Medicaid members previously utilizing the provider network established by HGH, Inc. are being served by HealthPlus Partners, Inc. through arrangements with contracted providers. Also effective January 1, 2006, the management agreement between HealthPlus Partners, Inc. and HGH, Inc., as detailed in the 2005 Annual Statement, is no longer in effect.

11. Debt

None.

12. Retirement Plan

None.

13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations

The Company has no Shareholder's Dividend Restrictions or Quasi-Reorganizations to report.

The portion of unassigned funds (surplus) represented or reduced by each item below is as follows:

- a. change in unrealized gains and losses on stocks: \$22,555
- b. change in nonadmitted asset values: \$ 0

# Notes to Financial Statement

14. Contingencies

In the normal course of business, HealthPlus Partners, Inc. is a party to certain legal matters. Management is of the opinion that resolution of these matters will not have a material effect on the Company's financial position or results of operations.

15. Leases

None.

16. Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk

None.

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

None.

18. Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans

None.

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

None.

20. September 11 Events

None

21. Other Items

The Company has no extraordinary items or other disclosures to report.

22. Events Subsequent

There were no events subsequent to the close of the books or accounts for this statement which may have a material effect on the financial condition of the Company.

23. Reinsurance

A. Ceded Reinsurance Report

Section 1 – General Interrogatories

(1) Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the Company?

Yes ( )      No (x)

(2) Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business?

Yes ( )      No (x)

**Notes to Financial Statement**

**Section 2 – Ceded Reinsurance Report – Part A**

- (1) Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credit?  
Yes (x)                      No ( )
- a. If yes, what is the estimated amount of the aggregate reduction in surplus of a unilateral cancellation by the reinsurer as of the date of this statement, for those agreements in which cancellation results in a net obligation of the reporting entity to the reinsurer, and for which such obligation is not presently accrued? Where necessary, the reporting entity may consider the current or anticipated experience of the business reinsured in making this estimate.  
\$ 0.
- b. What is the total amount of reinsurance credits taken, whether as an asset or as a reduction of liability for these agreements in this statement?  
\$ 0.
- (2) Does the reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?  
Yes ( )                      No (x)

**Section 3 – Ceded Reinsurance – Part B**

- (1) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate.  
\$ 0.
- (2) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement?  
Yes ( )                      No (x)

**(3) Uncollectible Reinsurance**

None.

**C. Commutation of Ceded Reinsurance**

None.

**24. Retrospectively Rated Contracts and Contracts Subject to Redetermination**

None.

Notes to Financial Statement

25. Change in Incurred Claims and Claim Adjustment Expenses

There has been no change in the reserves for incurred claims attributable to insured events of prior years as of the Quarter Ended March 31, 2006 as a result of re-estimation of unpaid claims.

26. Intercompany Pooling Arrangements

None.

27. Structured Settlements

Not applicable.

28. Health Care Receivables

(a) Pharmaceutical Rebate Receivables

The pharmaceutical rebate receivable consists of an estimate based on historical trends.

Quarter	Estimated Pharmacy Rebates as Reported on Financial Statements	Pharmacy Rebates as Invoiced/ Confirmed	Actual rebates Collected Within 90 Days of Invoicing/ Confirmation	Actual Rebates Collected Within 91 to 180 Days of Invoicing/ Confirmation	Actual Rebates Collected More Than 180 Days After Invoicing/ Confirmation
03/31/2006	30,656	0	0	0	0

(b) Risk Sharing Receivables

The Company has agreements, which provide the basis of payments to different provider groups for the delivery of health care services. The groups include hospitals, physician hospital organizations, and physicians. The agreements include provisions for the sharing of surplus or deficits calculated by the comparison of total expense to funding reported for the Company’s members served by the physicians affiliated with each contracting provider group. The funding levels are primarily based on a percentage of the premium, which the Company receives for providing health insurance coverage to Medicaid beneficiaries. Certain of these providers have entered into separate agreements with affiliated hospitals to share any surplus or deficit associated with services to physician members.

Risk sharing receivables recorded in accordance with the aforementioned agreements are detailed in the table below.

Calendar Year	Evaluation Period Year Ending	Risk Sharing Receivable as Estimated And Reported in the Prior Year	Risk Sharing Receivable as Estimated And Reported in the Current Year	Risk Sharing Receivable Invoiced	Risk Sharing Receivable Not Invoiced	Actual Risk Sharing Amounts Collected in Year Invoiced	Actual Risk Sharing Amounts Collected First Year Subsequent	Actual Risk Sharing Amounts Collected Second Year Subsequent	Actual Risk Sharing Amounts Collected – All Other
2005	2005		489,190	200,000	289,190	200,000			
	2006								
2004	2004		642,709	642,709		642,709			
	2005								
2003	2003		350,108	350,108		350,108			
	2004								

**Notes to Financial Statement**

29. Participating Policies

None.

30. Premium Deficiency Reserves

None.

31. Salvage and Subrogation

The Company has not specifically identified any anticipated salvage and subrogation amounts in its calculation of loss reserves.

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since the prior year end unless otherwise noted)

PART 1 - COMMON INTERROGATORIES  
GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes[ ] No[X]
- 1.2 If yes, has the report been filed with the domiciliary state?

Yes[ ] No[ ] N/A[X]
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes[ ] No[X]
- 2.2 If yes, date of change:

.....
3. Have there been any substantial changes in the organizational chart since the prior quarter end?  
If yes, complete the Schedule Y - Part 1 - organizational chart.

Yes[ ] No[X]
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes[ ] No[X]
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1	2	3
Name of Entity	NAIC Company Code	State of Domicile
.....	.....	.....

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?  
If yes, attach an explanation.

Yes[X] No[ ] N/A[ ]
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made.

.....12/31/2003.....
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

.....12/31/2003.....
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

.....06/16/2005.....
- 6.4 By what department or departments?  
Department of Labor and Economic Growth, Office of Financial & Insurance Services, Office of Financial Evaluation
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes[ ] No[X]
- 7.2 If yes, give full information
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes[ ] No[X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms?

Yes[ ] No[X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1	2	3	4	5	6	7
Affiliate Name	Location (City, State)	FRB	OCC	OTS	FDIC	SEC
.....	.....	. Yes[ ] No[X]	. Yes[ ] No[X]	. Yes[ ] No[X]	. Yes[ ] No[X]	. Yes[ ] No[X]

FINANCIAL

- 9.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes[X] No[ ]
- 9.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:

\$.....62,740

INVESTMENT

- 10.1 Has there been any change in the reporting entity's own preferred or common stock?

Yes[ ] No[X]
- 10.2 If yes, explain:
- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes[ ] No[X]
- 11.2 If yes, give full and complete information relating thereto:
12. Amount of real estate and mortgages held in other invested assets in Schedule BA:

\$.....
13. Amount of real estate and mortgages held in short-term investments:

\$.....
- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates?

Yes[X] No[ ]
- 14.2 If yes, please complete the following:



**GENERAL INTERROGATORIES (Continued)**

		1	2
		Prior Year-End Book/Adjusted Carrying Value	Current Quarter Statement Value
14.21	Bonds .....		
14.22	Preferred Stock .....		
14.23	Common Stock .....		
14.24	Short-Term Investments .....		
14.25	Mortgages Loans on Real Estate .....		
14.26	All Other .....	(156,939)	(156,939)
14.27	Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) .....	(156,939)	(156,939)
14.28	Total Investment in Parent included in Lines 14.21 to 14.26 above .....		

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB?

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?  
If no, attach a description with this statement.

Yes[ ] No[X]  
Yes[ ] No[ ] N/A[X]

16. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Part 1 - General, Section IV. H-Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

16.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

Yes[X] No[ ]

1	2
Name of Custodian(s)	Custodian Address
JP Morgan Asset Management .....	611 Woodward Ave., Detroit, MI 48226 .....

16.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1	2	3
Name(s)	Location(s)	Complete Explanation(s)
.....	.....	.....

16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter?

16.4 If yes, give full and complete information relating thereto:

Yes[ ] No[X]

1	2	3	4
Old Custodian	New Custodian	Date of Change	Reason
.....	.....	.....	.....

16.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1	2	3
Central Registration Depository	Name(s)	Address
104234 .....	JP Morgan Asset Management .....	611 Woodward Ave., Detroit, MI 48226 .....

17.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed?

17.2 If no, list exceptions:

Yes[X] No[ ]

**General Interrogatories Part 1 Attachments**

Interrogatory #5

The administrative services agreement between HealthPlus Partners, Inc. and its affiliate HGH, Inc. is no longer in effect as of January 1, 2006.

**SCHEDULE A - VERIFICATION**

**Real Estate**

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year .....		
2.	Increase (decrease) by adjustment .....		
3.	Cost of acquired .....		
4.	Cost of additions to and permanent improvements .....		
5.	Total profit (loss) on sales .....		
6.	Increase (decrease) by foreign exchange adjustment .....		
7.	Amount received on sales .....		
8.	Book/adjusted carrying value at end of current period .....		
9.	Total valuation allowance .....		
10.	Subtotal (Lines 8 plus 9) .....		
11.	Total nonadmitted amounts .....		
12.	Statement value, current period (Page 2, real estate lines, Net Admitted Assets column) .....		

**SCHEDULE B - VERIFICATION**

**Mortgage Loans**

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book value/recorded investment excluding accrued interest on mortgages owned, December 31 of prior year .....		
2.	Amount loaned during period:		
2.1	Actual cost at time of acquisitions .....		
2.2	Additional investment made after acquisitions .....		
3.	Accrual of discount and mortgage interest points and commitment fees .....		
4.	Increase (decrease) by adjustment .....		
5.	Total profit (loss) on sale .....		
6.	Amounts paid on account or in full during the period .....		
7.	Amortization of premium .....		
8.	Increase (decrease) by foreign exchange adjustment .....		
9.	Book value/recorded investment excluding accrued interest on mortgages owned at end of current period .....		
10.	Total valuation allowance .....		
11.	Subtotal (Lines 9 plus 10) .....		
12.	Total nonadmitted amounts .....		
13.	Statement value of mortgages owned at end of current period (Page 2, mortgage lines, Net Admitted Assets column) .....		

**SCHEDULE BA - VERIFICATION**

**Other Invested Assets**

		1	2
Description		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value of long-term invested assets owned, December 31 of prior year .....	(156,939)	(1,193,209)
2.	Cost of acquisitions during period:		
2.1	Actual cost at time of acquisitions .....		
2.2	Additional investment made after acquisitions .....		
3.	Accrual of discount .....		
4.	Increase (decrease) by adjustment .....		1,036,270
5.	Total profit (loss) on sale .....		
6.	Amounts paid on account or in full during the period .....		
7.	Amortization of premium .....		
8.	Increase (decrease) by foreign exchange adjustment .....		
9.	Book/adjusted carrying value of long-term invested assets at end of current period .....	(156,939)	(156,939)
10.	Total valuation allowance .....		
11.	Subtotal (Lines 9 plus 10) .....	(156,939)	(156,939)
12.	Total nonadmitted amounts .....		
13.	Statement value of long-term invested assets at end of current period (Page 2, Line 7, Column 3) .....	(156,939)	(156,939)

**SCHEDULE D - VERIFICATION**

**Bonds and Stocks**

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value of bonds and stocks, December 31 of prior year .....	5,510,517	5,318,723
2.	Cost of bonds and stocks acquired .....	293,019	4,880,223
3.	Accrual of discount .....		
4.	Increase (decrease) by adjustment .....	20,555	(13,733)
5.	Increase (decrease) by foreign exchange adjustment .....		
6.	Total profit (loss) on disposal .....	11,785	
7.	Consideration for bonds and stocks disposed of .....	245,000	4,674,696
8.	Amortization of premium .....		
9.	Book/adjusted carrying value, current period .....	5,590,876	5,510,517
10.	Total valuation allowance .....		
11.	Subtotal (Lines 9 plus 10) .....	5,590,876	5,510,517
12.	Total nonadmitted amounts .....		
13.	Statement value .....	5,590,876	5,510,517

**SCHEDULE D - PART 1B**  
**Showing the Acquisitions, Dispositions and Non-Trading Activity**  
**During the Current Quarter for all Bonds and Preferred Stock by Rating Class**

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. Class 1 .....	9,834,179	36,487,401	28,578,510		17,743,070			9,834,179
2. Class 2 .....								
3. Class 3 .....								
4. Class 4 .....								
5. Class 5 .....								
6. Class 6 .....								
7. TOTAL Bonds .....	9,834,179	36,487,401	28,578,510		17,743,070			9,834,179
<b>PREFERRED STOCK</b>								
8. Class 1 .....								
9. Class 2 .....								
10. Class 3 .....								
11. Class 4 .....								
12. Class 5 .....								
13. Class 6 .....								
14. TOTAL Preferred Stock .....								
15. TOTAL Bonds & Preferred Stock .....	9,834,179	36,487,401	28,578,510		17,743,070			9,834,179

**SCHEDULE DA - PART 1**

**Short - Term Investments Owned End of Current Quarter**

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
8299999. TOTALS .....	17,743,070	X X X .....	17,743,070	157,134	.....

**SCHEDULE DA - PART 2 - Verification**

**Short-Term Investments Owned**

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year .....	9,834,179	9,269,560
2.	Cost of short-term investments acquired .....	36,487,401	154,435,479
3.	Increase (decrease) by adjustment .....	.....	.....
4.	Increase (decrease) by foreign exchange adjustment .....	.....	.....
5.	Total profit (loss) on disposal of short-term investments .....	.....	.....
6.	Consideration received on disposal of short-term investments .....	28,578,510	153,870,860
7.	Book/adjusted carrying value, current period .....	17,743,070	9,834,179
8.	Total valuation allowance .....	.....	.....
9.	Subtotals (Lines 7 plus 8) .....	17,743,070	9,834,179
10.	Total nonadmitted amounts .....	.....	.....
11.	Statement value (Lines 9 minus 10) .....	17,743,070	9,834,179
12.	Income collected during period .....	157,134	405,232
13.	Income earned during period .....	199,774	429,433

**15      Schedule DB Part F Section 1 ..... NONE**

**16      Schedule DB Part F Section 2 ..... NONE**

**SCHEDULE S - CEDED REINSURANCE**  
**Showing all new reinsurers-Current Year to Date**

1 NAIC Company Code	2 Federal ID Number	3  Name of Reinsurer	4  Location	5 Is Insurer Authorized? (Yes or No)
<b>Accident and health - non-affiliates</b>				
90611 .....	41-1366075 .....	ALLIANZ LIFE INS CO OF NORTH AMER .....	Minneapolis, Minnesota .....	..... Yes[X] No[ ] .....

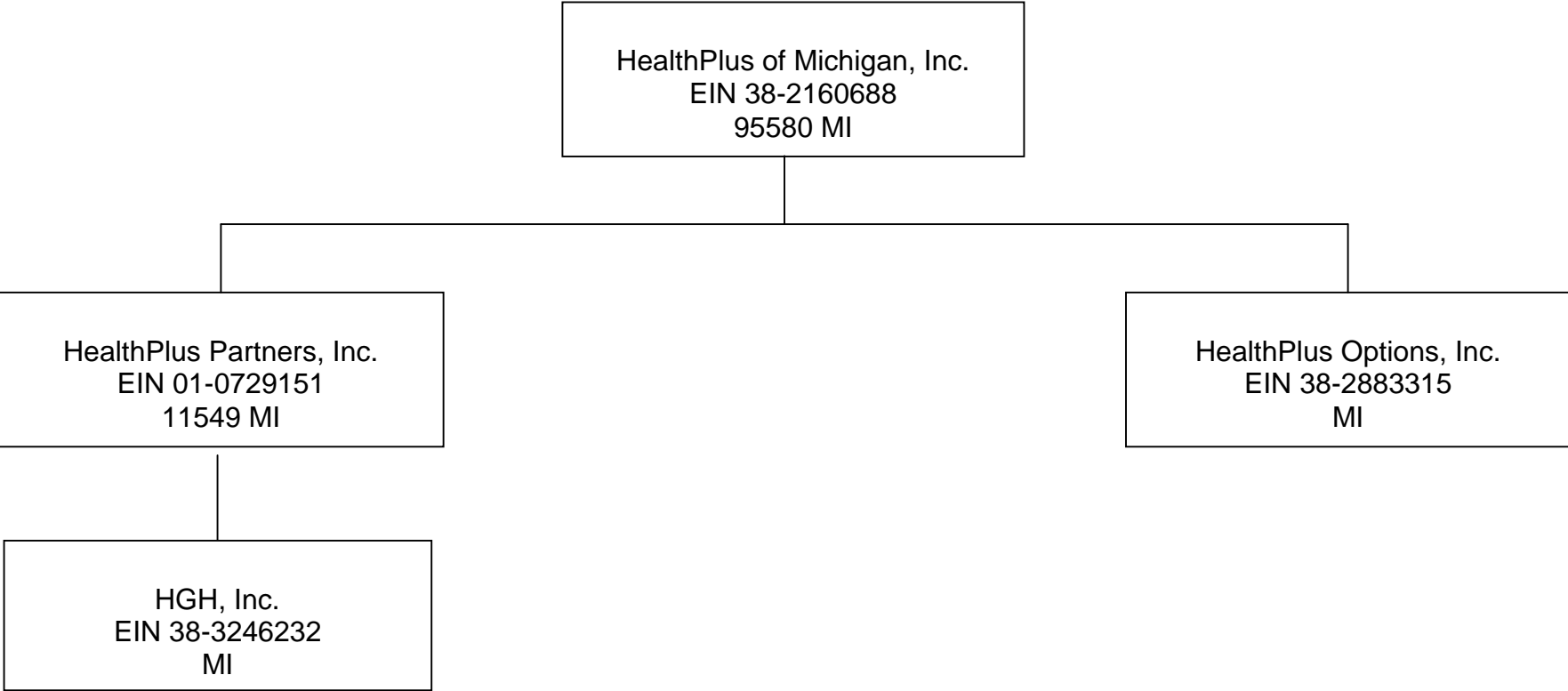
**SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS**  
**Allocated by States and Territories**

		1	2	Direct Business Only Year-to-Date					
				3	4	5	6	7	8
State, Etc.		Guaranty Fund (Yes or No)	Is Insurer Licensed (Yes or No)	Accident and Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Program Premiums	Life and Annuity Premiums and Deposit-Type Contract Funds	Property/ Casualty Premiums
1.	Alabama (AL)	No	No						
2.	Alaska (AK)	No	No						
3.	Arizona (AZ)	No	No						
4.	Arkansas (AR)	No	No						
5.	California (CA)	No	No						
6.	Colorado (CO)	No	No						
7.	Connecticut (CT)	No	No						
8.	Delaware (DE)	No	No						
9.	District of Columbia (DC)	No	No						
10.	Florida (FL)	No	No						
11.	Georgia (GA)	No	No						
12.	Hawaii (HI)	No	No						
13.	Idaho (ID)	No	No						
14.	Illinois (IL)	No	No						
15.	Indiana (IN)	No	No						
16.	Iowa (IA)	No	No						
17.	Kansas (KS)	No	No						
18.	Kentucky (KY)	No	No						
19.	Louisiana (LA)	No	No						
20.	Maine (ME)	No	No						
21.	Maryland (MD)	No	No						
22.	Massachusetts (MA)	No	No						
23.	Michigan (MI)	No	Yes			33,730,020			
24.	Minnesota (MN)	No	No						
25.	Mississippi (MS)	No	No						
26.	Missouri (MO)	No	No						
27.	Montana (MT)	No	No						
28.	Nebraska (NE)	No	No						
29.	Nevada (NV)	No	No						
30.	New Hampshire (NH)	No	No						
31.	New Jersey (NJ)	No	No						
32.	New Mexico (NM)	No	No						
33.	New York (NY)	No	No						
34.	North Carolina (NC)	No	No						
35.	North Dakota (ND)	No	No						
36.	Ohio (OH)	No	No						
37.	Oklahoma (OK)	No	No						
38.	Oregon (OR)	No	No						
39.	Pennsylvania (PA)	No	No						
40.	Rhode Island (RI)	No	No						
41.	South Carolina (SC)	No	No						
42.	South Dakota (SD)	No	No						
43.	Tennessee (TN)	No	No						
44.	Texas (TX)	No	No						
45.	Utah (UT)	No	No						
46.	Vermont (VT)	No	No						
47.	Virginia (VA)	No	No						
48.	Washington (WA)	No	No						
49.	West Virginia (WV)	No	No						
50.	Wisconsin (WI)	No	No						
51.	Wyoming (WY)	No	No						
52.	American Samoa (AS)	No	No						
53.	Guam (GU)	No	No						
54.	Puerto Rico (PR)	No	No						
55.	U.S. Virgin Islands (VI)	No	No						
56.	Northern Mariana Islands (MP)	No	No						
57.	Canada (CN)	No	No						
58.	Aggregate other alien (OT)	X X X	X X X						
59.	Subtotal	X X X	X X X			33,730,020			
60.	Reporting entity contributions for Employee Benefit Plans	X X X	X X X						
61.	Total (Direct Business)	X X X	(a) 1			33,730,020			
DETAILS OF WRITE-INS									
5801.		X X X	X X X						
5802.		X X X	X X X						
5803.		X X X	X X X						
5898.	Summary of remaining write-ins for Line 58 from overflow page	X X X	X X X						
5899.	TOTALS (Lines 5801 through 5803 plus 5898) (Line 58 above)	X X X	X X X						

(a) Insert the number of yes responses except for Canada and Other Alien.



**SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER**  
**MEMBERS OF A HOLDING COMPANY GROUP**  
**PART 1 - ORGANIZATIONAL CHART**



33.33% ownership. To be dissolved during 2006.

**OVERFLOW PAGE FOR WRITE-INS**

**E01      Schedule A Part 2 ..... NONE**

**E01      Schedule A Part 3 ..... NONE**

**E02      Schedule B Part 1 ..... NONE**

**E02      Schedule B Part 2 ..... NONE**

**E03      Schedule BA Part 1 ..... NONE**

**E03      Schedule BA Part 2 ..... NONE**

**SCHEDULE D - PART 3**

**Show All Long-Term Bonds and Stock Acquired by the Company During the Current Quarter**

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
6099998	Summary Item for Bonds Bought and Sold This Quarter .....				X X X	X X X	X X X	X X X	X X X
6599998	Summary Item for Preferred Stock Bought and Sold This Quarter .....				X X X	X X X	X X X	X X X	X X X
<b>Common Stock - Mutual Funds</b>									
4812C1553 .....	JPMorgan Equity Index Fund .....		01/03/2006 .....	JPMorgan Asset Management .....	411.422	11,684	X X X		L .....
4812C0381 .....	JPMorgan Core Bond Fund .....		03/13/2006 .....	JPMorgan Asset Management .....	26,786.610	281,335	X X X		L .....
7099999	Subtotal - Common Stock - Mutual Funds .....				X X X	293,019	X X X		X X X
7299997	Subtotal - Common Stock - Part 3 .....				X X X	293,019	X X X		X X X
7299998	Summary Item for Common Stock Bought and Sold This Quarter .....				X X X	X X X	X X X	X X X	X X X
7299999	Subtotal - Common Stocks .....				X X X	293,019	X X X		X X X
7399999	Subtotal - Preferred and Common Stocks .....				X X X	293,019	X X X		X X X
7499999	Total - Bonds, Preferred and Common Stocks .....				X X X	293,019	X X X		X X X

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues .....

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stocks Sold, Redeemed, or Otherwise Disposed of  
by the Company During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
CUSIP Identification	Description	F o r e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	11	12	13	14	15	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
										Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11 + 12 - 13)	Total Foreign Exchange Change in B./A.C.V.							
6099998	Summary Item for Bonds Bought and Sold This Quarter				X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
6599998	Summary Item for Preferred Stock Bought and Sold This Quarter				X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
Common Stock - Mutual Funds																					
4812C1553	JPMorgan Equity Index Fund		03/13/2006	JPMorgan Asset Management	8,370,350	245,000	X X X	233,215	237,718	(4,503)			(4,503)		233,215		11,785	11,785	1,154	X X X	L
7099999	Subtotal - Common Stock - Mutual Funds				X X X	245,000	X X X	233,215	237,718	(4,503)			(4,503)		233,215		11,785	11,785	1,154	X X X	X X X
7299997	Subtotal - Common Stocks - Part 4				X X X	245,000	X X X	233,215	237,718	(4,503)			(4,503)		233,215		11,785	11,785	1,154	X X X	X X X
7299998	Summary Item for Common Stock Bought and Sold This Quarter				X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
7299999	Subtotal - Common Stocks				X X X	245,000	X X X	233,215	237,718	(4,503)			(4,503)		233,215		11,785	11,785	1,154	X X X	X X X
7399999	Subtotal - Preferred and Common Stocks				X X X	245,000	X X X	233,215	237,718	(4,503)			(4,503)		233,215		11,785	11,785	1,154	X X X	X X X
7499999	Total - Bonds, Preferred and Common Stocks				X X X	245,000	X X X	233,215	237,718	(4,503)			(4,503)		233,215		11,785	11,785	1,154	X X X	X X X

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues .....

**E06      Schedule DB Part A Section 1 ..... NONE**

**E06      Schedule DB Part B Section 1 ..... NONE**

**E07      Schedule DB Part C Section 1 ..... NONE**

**E07      Schedule DB Part D Section 1 ..... NONE**

**SCHEDULE E - PART 1 - CASH**

Month End Depository Balances										
1			2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
							6	7	8	
Depository			Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	First Month	Second Month	Third Month	*
open depositories										
JP Morgan Chase Bank, N.A.	Baton Rouge, LA .....	.....					2,384,078	2,386,504	22,004	X X X
JP Morgan Chase Bank, N.A.	Baton Rouge, LA .....	.....					(617,539)	(1,108,610)	(1,950,465)	X X X
0199998 Deposits in ..... depositories that do not exceed the allowable limit in any one depository (See Instructions) - open depositories			X X X	X X X ..						X X X
0199999 Totals - Open Depositories .....			X X X	X X X ..			1,766,539	1,277,894	(1,928,461)	X X X
0299998 Deposits in ..... depositories that do not exceed the allowable limit in any one depository (See Instructions) - suspended depositories .....			X X X	X X X ..						X X X
0299999 Totals - Suspended Depositories .....			X X X	X X X ..						X X X
0399999 Total Cash On Deposit .....			X X X	X X X ..			1,766,539	1,277,894	(1,928,461)	X X X
0499999 Cash in Company's Office .....			X X X	X X X ..	X X X ..	X X X ..				X X X
0599999 Total Cash .....			X X X	X X X ..			1,766,539	1,277,894	(1,928,461)	X X X

**SCHEDULE E - PART 2 - CASH EQUIVALENTS**

Show Investments Owned End of Current Quarter

1	2	3	4	5	6	7	8	9
CUSIP Identification	Description	Code	Date Acquired	Rate of Interest	Maturity Date	Book/Adjusted Carrying Value	Amount of Interest Due & Accrued	Gross Investment Income
<div>NONE</div>								
0199999 Total Cash Equivalents .....						.....	.....	.....



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